

## Attachment 18C - Single Billing Service Good Faith Estimate

Pursuant to Administrative Code 451.510 (a):

*The applicant may undertake to post and maintain a bond or bonds issued by a qualifying surety or financial institution chartered by the United States or the State of Illinois in favor of any Illinois utility in whose service territory the applicant will serve retail customers. **The bond or bonds shall be in an amount equal to 15% of a good faith estimate of the total amount that the applicant expects to be obliged to pay to the utility under single billing tariffs adopted pursuant to Section 16-118(b) of the Act during the next twelve months.** The applicant shall provide a copy of the bonding agreement(s) and the bond(s) to the Commission with the application to provide single billing service. The bond(s) shall be conditioned on the full and timely payment of all amounts due to the utility in accordance with the terms specified in the single billing tariffs and shall be valid for a period of not less than one year.*

The megawatt hour consumption estimate is calculated Pursuant to Administrative Code 451.220 (a)(4) in the highlighted section below:

*4) ... **In the alternative, an applicant may elect to calculate its prospective obligation by certifying to the Commission a good faith estimate of the total megawatt hour consumption for the calendar year in which the filing is made. Such estimate shall be a product of multiplying the estimated maximum number of megawatts by 8760 hours, by the estimated average load factor, by one-tenth the per megawatt hour Market Value of Energy Charge established by operation of the Market Value Index (MVI) tariff for the utility service territory in which the customers are served.** In making a good faith estimate of the load factor to be used in the calculation, the applicant may rely either on the average load factor of its customers in the prior year or the average load factor for all non-residential customers within the utility service territory or a **good faith estimate by the applicant of the prospective load factor of its customers for the applicable period.** This option is only available for ARES seeking to serve non-residential customers in service territories that have purchase power option (PPO)-MVI tariffs in effect. The unconditional guarantee, payment bond, or letter of credit shall be valid for a period of not less than one year.*

Reliant estimates that it will schedule a peak amount of 190 MW during the next twelve months of single billing service in the ComEd region. Also, while we do not intend to offer service in AmerenIP, we are applying for that authority at this time. Financial qualification for single-billing services in AmerenIP is based on a base-amount of 5MW peak load. We would estimate the load factor of our prospective customers to be ~55% in both regions.

For Single Billing service, Reliant estimates that 50% of an estimated peak load of 300 MW for general customers will choose that option. Reliant also plans to offer services to a class of ComEd-based customers in the 100kW-400kW range. This class of customers is expected to be scheduled to a peak load amount of 40MW during the next twelve months. This special class of customers will only be offered a single-billing product. Reliant has also confirmed that single billing distribution charges will be 30% of the revenue from electricity alone.

We base the calculation below on our good faith estimates, and an estimate of the Market Value of Energy Charge established by the MVI tariff of either ComEd (max of \$67.87/MWhr) or AmerenIP (averaged charge of \$52.09/MWhr). Based on the MVECs for each region, Reliant is comfortable with an estimated future MVEC of \$70.00 for either region, and based on the calculation described above we expect to post a two Payment Bonds specifically for single billing service, one for each of the two utility regions for the amounts calculated below:

<u>Calculation of Electricity Revenue:</u>	<u>ComEd</u>	<u>ComEd 100-400kW</u>	<u>AmerenIP</u>
Max Cumulative MW's	300.0	40	5.00
Hours in a year	8,760	8,760	8,760
Load Factor	55%	55%	55%
1/10th the Market Value of Energy	10%	10%	10%
Estimated Market Value of Energy Charge	\$70.00	\$70.00	\$70.00

Calculation of Single Billing Obligation:

Single Billing Customer Percentage	50%	100%	50%
Distribution Charge Percentage	30%	30%	30%
15% of Good Faith Revenue Estimate	15%	15%	15%

**Good Faith Estimate of  
Single Billing Service-**

\$986,486

\$236,036

**ComEd Total**

**\$1,249,548**

**\$16,441**

## **PAYMENT SURETY BOND**

KNOW ALL MEN BY THESE PRESENTS, That we Travelers Casualty and Surety Company of America, as Surety, ("Surety") and Reliant Energy Solutions East, LLC, 1000 Main Street, Houston, TX 77002, as Principal, are hereby held and bound effective 1/23/2008 until 1/23/2009 to Commonwealth Edison Company ("ComEd" or "Obligee") for the payment of the obligation (hereafter defined), up to the maximum penal sum of ONE MILLION TWO HUNDRED FORTY NINE THOUSAND FIVE HUNDRED FORTY EIGHT Dollars (\$1,249,548) lawful money of the United States.

THIS BOND is an agreement of suretyship.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the Principal has requested an extension of credit and ComEd has agreed to an extension of credit to the Principal (subject to the Principal providing acceptable credit support) for such amounts as may be incurred by the principal under the terms and conditions (as may be amended and restated from time to time) of one or more of the ComEd Open Access Transmission Tariff and/or the Single Billing Option (SBO) Tariff (hereinafter the "Agreements"); (the amounts owed under said Agreements being referred to as the "Obligations"); and

WHEREAS, ComEd is willing to accept this Bond provided by the Principal to secure full and timely payment to, and support the extension of credit by ComEd for the Obligations incurred under the terms of the Agreements;

NOW, THEREFORE, if and when the Obligations shall be fully and finally paid and satisfied, this Bond shall be null and void; otherwise this Bond shall remain in full force and effect and Principal and Surety in any event agree as follows:

- (1) Surety hereby irrevocably promises to pay to Obligee, fully, absolutely and unconditionally, the Obligations of Principal to Obligee under the terms of the Agreements, as set forth herein.
- (2) Within ten (10) business days of Surety's receipt of Obligee's demand for payment under this bond ("Demand"), Surety shall pay to Obligee the amount of such Demand. The Obligee's Demand to the Surety of the amount due, either as security or for the payment or for reimbursement pursuant to the Agreements(s), shall be absolute proof of the existence and extent of the liability of the Principal and the Surety to Obligee hereunder. At its sole discretion, Obligee may present one or more Demands at any time, provided however, Surety shall not be obligated to pay an aggregate amount in excess of the penal sum of the bond.

- (3) Failure to pay or reimburse Obligee as herein provided shall cause the Surety to be additionally liable for any and all reasonable costs and expenses, including attorney's fees and interest, incurred by Obligee in enforcing this bond, such liability to be in addition to the bond penalty.
- (4) Surety agrees that, without notice to it and without releasing or affecting its liability under this bond to any extent, Obligee may extend, renew, modify or waive any terms of, release, surrender, exchange, compromise or settle the Obligations; may elect not to enforce Obligee's rights with respect to the Obligations or any security held therefor and may exchange, release or surrender any security. Notice of acceptance of this bond and of the incurring of such Obligations or any default thereon, as well as demand, protest, presentment for acceptance or payment or notice of dishonor for non-acceptance or nonpayment with respect to the Obligations are hereby waived.
- (5) Surety hereby irrevocably authorizes and empowers any attorney or attorneys or the Clerk of any court of record in the State of Illinois, or elsewhere to appear for the Surety in any such court in an appropriate action there brought or to be brought against the undersigned at the suit of Obligee on this bond, and therein to confess judgment against the undersigned for all sums due by the undersigned hereunder together with costs of suit and attorney's fee for collection of ten percent (10%) of the amount of the liability of the Surety; and for so doing this bond or a copy hereof verified by affidavit shall be a sufficient warrant. This Warrant of Attorney shall be effective only after the Surety's default.
- (6) In no event shall the liability of the Surety hereunder be cumulative from year to year, nor shall the Surety in any event, other than described above, be liable for more than the penal sum of this bond.
- (7) This bond is automatically renewed unless the Surety herein elects not to renew its obligation under this bond by first serving ninety (90) days written notice via registered mail of its intention not to renew upon ComEd at its principal office at:

Commonwealth Edison Company  
ATTN: Vice President of Energy Acquisition  
440 S. La Salle Street  
Suite 3300  
Chicago, IL 60603

but the Surety shall nevertheless remain liable for any and all accrued indebtedness of the Principal to ComEd incurred prior to the proposed termination date.

- (8) This bond shall be construed and enforced in accordance with the substantive laws of the State of Illinois, exclusive of their conflict of laws provisions.

Intending to be legally bound, this bond has been signed, sealed and dated this 23rd day of January, 2008.

NAME OF PRINCIPAL

By: James A. Ajello, Vice President  
Principal (Name and Title)

SURETY Travelers Casualty and Surety Company of America

By: Debra A. Deming  
Debra A. Deming as Attorney-in-Fact



## POWER OF ATTORNEY

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 Seaboard Surety Company  
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
 St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 218869

Certificate No. 001735954

**KNOW ALL MEN BY THESE PRESENTS:** That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

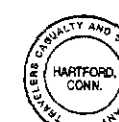
Debra A. Deming

of the City of New York, State of New York, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 11th day of July, 2007.

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 Seaboard Surety Company  
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
 St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company



State of Connecticut  
 City of Hartford ss.

By:

George W. Thompson, Senior Vice President

On this the 11th day of July, 2007, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.  
 My Commission expires the 30th day of June, 2011.



*Marie C. Tetreault*  
 Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

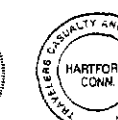
**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this

23<sup>rd</sup> day of January, 2008

*Kori M. Johanson*  
Kori M. Johanson, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.stpaultravelersbond.com](http://www.stpaultravelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

## TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

HARTFORD, CONNECTICUT 06183

FINANCIAL STATEMENT AS OF JUNE 30, 2007

CAPITAL STOCK \$ 6,000,000

ASSETS		LIABILITIES & SURPLUS	
CASH & INVESTED CASH	\$ 37,873,011	UNEARNED PREMIUMS	\$ 730,254,613
BONDS	3,104,486,088	LOSSES	644,437,206
STOCK	15,130,363	LOSS ADJUSTMENT EXPENSES	142,917,790
INVESTMENT INCOME DUE AND ACCRUED	39,571,437	COMMISSIONS	20,639,009
PREMIUM BALANCES	242,032,832	TAXES, LICENSES AND FEES	18,020,630
NET DEFERRED TAX ASSET	40,256,377	OTHER EXPENSES	20,534,912
REINSURANCE RECOVERABLE	5,291,924	FUNDS HELD UNDER REINSURANCE TREATIES	144,930,604
OTHER ASSETS	694,517	CURRENT FEDERAL AND FOREIGN INCOME TAXES	75,624,277
		REMITTANCES AND ITEMS NOT ALLOCATED	43,949,134
		AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	36,765,131
		PAYABLE TO PARENT, SUBSIDIARIES & AFFILIATES	26,494,266
		RETROACTIVE REINSURANCE RESERVE	21,398,974
		POLICYHOLDER DIVIDENDS	8,459,798
		PROVISION FOR REINSURANCE	5,627,014
		PAYABLE FOR SECURITIES	3,636,924
		CEDED REINSURANCE NET PREMIUMS PAYABLE	(23,607,201)
		OTHER ACCRUED EXPENSES AND LIABILITIES	62,933
		TOTAL LIABILITIES	<u>\$ 2,120,116,034</u>
		CAPITAL STOCK	\$ 6,000,000
		PAID IN SURPLUS	303,297,402
		OTHER SURPLUS	1,055,923,113
		TOTAL SURPLUS TO POLICYHOLDERS	<u>\$ 1,365,220,515</u>
TOTAL ASSETS	<u>\$ 3,485,336,549</u>	TOTAL LIABILITIES & SURPLUS	<u>\$ 3,485,336,549</u>

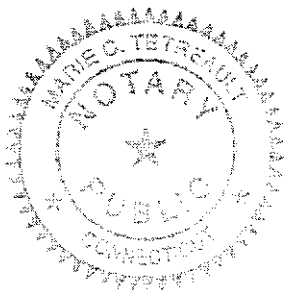
STATE OF CONNECTICUT )  
COUNTY OF HARTFORD )SS.  
CITY OF HARTFORD )

LAWRENCE A. SIUTA, BEING DULY SWORN, SAYS THAT HE IS CHIEF FINANCIAL OFFICER - TRAVELERS BOND & FINANCIAL PRODUCTS,  
OF TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, AND THAT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THE FOREGOING  
IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL CONDITION OF SAID COMPANY AS OF THE 30th DAY OF JUNE 2007.

*L. A. Siuta*  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER - BOND & FINANCIAL PRODUCTS

*Marie C. Tetreault*  
\_\_\_\_\_  
NOTARY PUBLIC

SUBSCRIBED AND SWORN TO BEFORE ME THIS  
17TH DAY OF AUGUST, 2007





Payment Bond

WITNESSETH: This Surety Bond is given by Reliant Energy Solutions East, LLC, 1000 Main Street, Houston, TX 77002 as Principal, and Travelers Casualty and Surety Company of America, 343 Thornall Street, 5<sup>th</sup> Floor, Edison, NJ 08837, as Surety, as jointly and severally bound unto Illinois Power Company D/B/A Ameren IP, as Obligee, in the amount of SIXTEEN THOUSAND FOUR HUNDRED FORTY ONE Dollars (USD 16,441) , for the payment of which the Principal and Surety bind themselves, their heirs, executors, administrators, successors, assigns or other legal representatives.

WHEREAS, the Principal, has filed an application with the Illinois Commerce Commission for a certificate to operate as an alternative retail electric supplier ("ARES") in the State of Illinois as provided by the Illinois Public Utilities Act ("Act") and the applicable rules of the Illinois Commerce Commission.

WHEREAS, the Principal, as a condition for obtaining a certificate to operate as an ARES in the State of Illinois, has agreed to reimburse obligations of the applicant to unaffiliated companies arising from the acquisition of electric energy that can be delivered to retail customers in the State of Illinois or Principal's Illinois retail customers ("customers") for the additional costs those customers incur to acquire electric energy as a result of Principal's failure to comply with its contractual obligation to supply such energy to those customers.


NOW, THEREFORE, the condition of this obligation is such that if the Principal shall fulfill its contractual obligations of the applicant to unaffiliated companies arising from the acquisition of electric energy that can be delivered to retail customers in the State of Illinois or obligations to its Illinois retail customers or to pay or cause to be paid to the Obligee, within the time ordered by the Illinois Commerce Commission, all additional costs that the Principal's Wholesale suppliers or Illinois retail customers incur to acquire electric energy as a result of Principal's failure to comply with Principal's contractual obligation to those customers to supply such energy, then this obligation shall be null and void with respect to and to the extent of such amounts that are timely paid; otherwise, this obligation shall remain in full force and effect.

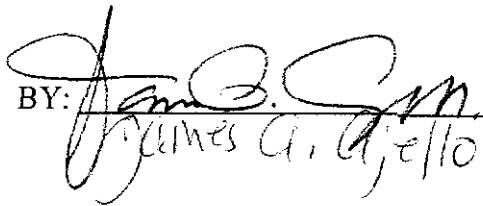
This bond is subject to the following terms, limitations and conditions:

1. Notwithstanding anything herein to the contrary, the term of this bond shall become effective commencing 1/23/08 and expire 1/23/09, and shall automatically renew for successive annual terms until cancelled by the surety.
2. Obligee shall apply any amounts paid on this bond against the amounts Principal's retail customers are owed by the Principal, in accordance with an Order of the Illinois Commerce Commission or a court of competent jurisdiction that finds Principal owes such amounts to Principal's customers.
3. The maximum amount of the liability of Surety by virtue of this obligation will be not more than \$16,441. In no event shall the bond amount be cumulative from year to year, or exceed the amount so stated above.

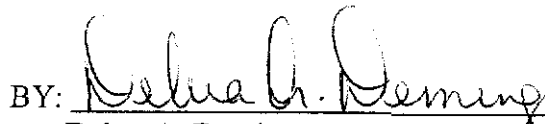
4. This bond is binding on Surety and its heirs, executors, administrators, successors, assigns, or other legal representatives.

In witness therefore, said Principal and said Surety have caused these presents to be duly signed and sealed this 23<sup>rd</sup> day of January, 2008.

Reliant Energy Solutions East, LLC 

BY:   
James A. G.ello, Vice President

Travelers Casualty and Surety Company of America

BY:   
Debra A. Deming, Attorney-in-Fact



## POWER OF ATTORNEY

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 Seaboard Surety Company  
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
 St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company

Attorney-In Fact No. 218869

Certificate No. 001735952

**KNOW ALL MEN BY THESE PRESENTS:** That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Debra A. Deming

of the City of New York, State of New York, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 11th day of July, 2007.

Farmington Casualty Company  
 Fidelity and Guaranty Insurance Company  
 Fidelity and Guaranty Insurance Underwriters, Inc.  
 Seaboard Surety Company  
 St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company  
 St. Paul Mercury Insurance Company  
 Travelers Casualty and Surety Company  
 Travelers Casualty and Surety Company of America  
 United States Fidelity and Guaranty Company



State of Connecticut  
 City of Hartford ss.

By:

George W. Thompson, Senior Vice President

On this the 11th day of July, 2007, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.  
 My Commission expires the 30th day of June, 2011.



Marie C. Tetreault  
 Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

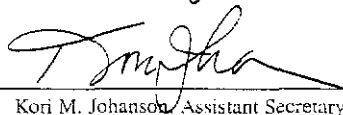
**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 23<sup>rd</sup> day of January, 2008

  
Kori M. Johanson, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at [www.stpaultravelersbond.com](http://www.stpaultravelersbond.com). Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

## TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

HARTFORD, CONNECTICUT 06163

FINANCIAL STATEMENT AS OF JUNE 30, 2007

CAPITAL STOCK \$ 6,000,000

ASSETS		LIABILITIES & SURPLUS	
CASH & INVESTED CASH	\$ 37,873,011	UNEARNED PREMIUMS	\$ 730,254,613
BONDS	3,104,486,088	LOSSES	844,437,206
STOCK	15,130,363	LOSS ADJUSTMENT EXPENSES	142,917,790
INVESTMENT INCOME DUE AND ACCRUED	39,571,437	COMMISSIONS	20,639,009
PREMIUM BALANCES	242,932,832	TAXES, LICENSES AND FEES	18,020,630
NET DEFERRED TAX ASSET	40,256,377	OTHER EXPENSES	20,534,912
REINSURANCE RECOVERABLE	5,291,924	FUNDS HELD UNDER REINSURANCE TREATIES	144,930,604
OTHER ASSETS	694,517	CURRENT FEDERAL AND FOREIGN INCOME TAXES	75,624,277
		REMITTANCES AND ITEMS NOT ALLOCATED	43,949,134
		AMOUNTS WITHHELD / RETAINED BY COMPANY FOR OTHERS	36,765,131
		PAYABLE TO PARENT, SUBSIDIARIES & AFFILIATES	26,464,286
		RETROACTIVE REINSURANCE RESERVE	21,396,974
		POLICYHOLDER DIVIDENDS	8,459,798
		PROVISION FOR REINSURANCE	5,627,014
		PAYABLE FOR SECURITIES	3,636,924
		CEDED REINSURANCE NET PREMIUMS PAYABLE	(23,607,201)
		OTHER ACCRUED EXPENSES AND LIABILITIES	62,933
		TOTAL LIABILITIES	\$ 2,120,116,034
		CAPITAL STOCK	\$ 6,000,000
		PAID IN SURPLUS	303,297,402
		OTHER SURPLUS	1,055,923,113
		TOTAL SURPLUS TO POLICYHOLDERS	\$ 1,365,220,515
TOTAL ASSETS	<u>\$ 3,485,336,549</u>	TOTAL LIABILITIES & SURPLUS	<u>\$ 3,485,336,549</u>

STATE OF CONNECTICUT )  
COUNTY OF HARTFORD )SS.  
CITY OF HARTFORD )

LAWRENCE A. SIUTA, BEING DULY SWORN, SAYS THAT HE IS CHIEF FINANCIAL OFFICER - TRAVELERS BOND & FINANCIAL PRODUCTS,  
OF TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, AND THAT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THE FOREGOING  
IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL CONDITION OF SAID COMPANY AS OF THE 30th DAY OF JUNE 2007.

*L A. Siuta*  
CHIEF FINANCIAL OFFICER - BOND & FINANCIAL PRODUCTS

*Marie C. Tetreault*  
NOTARY PUBLIC

SUBSCRIBED AND SWORN TO BEFORE ME THIS  
17TH DAY OF AUGUST, 2007

